



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R03-OAR-2014-0142; FRL-9914-49-Region 3]

Approval and Promulgation of Air Quality Implementation Plans; Virginia; Revision to the Maintenance Plans for the Richmond 1990 1-Hour and Richmond-Petersburg 1997 8-Hour Ozone Maintenance Areas to Remove the Stage II Vapor Recovery Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking direct final action to approve a revision to the Virginia State Implementation Plan (SIP). The revision removes the Stage II vapor recovery program (Stage II) from the maintenance plans for the Richmond 1990 1-hour and Richmond-Petersburg 1997 8-hour ozone National Ambient Air Quality Standard (NAAQS) Maintenance Areas (Richmond Area or Area). The revision also includes an analysis that addresses the impact of the removal of Stage II from subject gasoline dispensing facilities (GDFs) in the Richmond Area. The analysis submitted by the Commonwealth of Virginia (Commonwealth) satisfies the requirements of section 110(l) of the Clean Air Act (CAA). EPA is approving this revision in accordance with the requirements of the CAA.

DATES: This rule is effective on [**Insert date 60 days after publication in the Federal Register**] without further notice, unless EPA receives adverse written comment by [**Insert date 30 days after publication in the Federal Register**]. If EPA receives such comments, it will publish a timely withdrawal of the direct final rule in the Federal Register and inform the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID Number EPA-R03-OAR-2014-0142 by one of the following methods:

A. www.regulations.gov. Follow the on-line instructions for submitting comments.

B. E-mail: fernandez.cristina@epa.gov.

C. Mail: EPA-R03-OAR-2014-0142, Cristina Fernandez, Associate Director, Office of Air Program Planning, Mailcode 3AP30, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103.

D. Hand Delivery: At the previously-listed EPA Region III address. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA-R03-OAR-2012-0142. EPA's policy is that all comments received will be included in the public docket without change, and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through www.regulations.gov or e-mail. The www.regulations.gov website is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through www.regulations.gov, your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact

information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the electronic docket are listed in the www.regulations.gov index.

Although listed in the index, some information is not publicly available, i.e., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form.

Publicly available docket materials are available either electronically in www.regulations.gov or in hard copy during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. Copies of the State submittal are available at the Virginia Department of Environmental Quality, 629 East Main Street, Richmond, Virginia 23219.

FOR FURTHER INFORMATION CONTACT: Asrah Khadr, (215) 814-2071, or by e-mail at khadr.asrah@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

On November 12, 2013, the Commonwealth of Virginia submitted a formal revision to its SIP through the Virginia Department of Environmental Quality (VADEQ). The SIP revision consists of the removal of Stage II from the maintenance plans for the Richmond Area. The SIP revision

also consists of an analysis demonstrating that the removal of Stage II from the Richmond Area maintenance plans will not cause any increase in emissions. This analysis satisfies the requirements of section 110(l) of the CAA because it demonstrates that the removal of Stage II from the Richmond Area will not worsen air quality nor prevent maintenance of the NAAQS by the Area.

Stage II is a means of capturing gasoline vapors displaced during transfer of gasoline from the gasoline dispensing unit to the motor vehicle fuel tank during vehicle refueling at a (GDF).

Stage II involves use of special refueling nozzles and coaxial hoses for vapor collection at each gasoline pump at a subject GDF. Gasoline vapors belong to a class of pollutants known as volatile organic compounds (VOC). These compounds along with nitrogen oxides (NO_x) are precursors to the formation of ozone. Stage II gasoline vapor recovery systems have been a required emission control measure in areas classified as serious, severe, and extreme for the ozone NAAQS.

With the amendment of the CAA in 1990, Stage II controls were required for moderate ozone areas, under CAA section 182(b)(3). However, under section 202(a)(6) of the CAA, 42 U.S.C. 7521(a)(6), the requirements of section 182(b)(3) no longer apply in moderate ozone nonattainment areas after EPA promulgated standards for onboard refueling vapor recovery (ORVR) as part of new motor vehicles' emission control systems. ORVR is a mechanism employed by vehicles to re-use the vapors in their gas tanks instead of allowing them to escape. Over time, non-ORVR vehicles continue to be replaced by ORVR-equipped vehicles. On May 16, 2012, EPA determined that ORVR technology is in widespread use throughout the U.S.

vehicle fleet and waived the requirement for states to implement Stage II vapor recovery at GDFs in nonattainment areas classified as Serious or above for the ozone NAAQS (77 FR 28772). EPA determined that emission reductions from ORVR-equipped vehicles are essentially equal to and will soon surpass the emission reductions achieved by Stage II alone (77 FR 28772). EPA determined that a state previously required to implement a Stage II vapor recovery program may take appropriate action to remove the measure from its SIP (77 FR 28772).

The Richmond Area was designated as a moderate nonattainment area under the 1990 1-hour ozone NAAQS as well as the 1997 8-hour ozone NAAQS. On July 26, 1996, VADEQ submitted a redesignation request and maintenance plan because the air quality data was showing attainment of the 1990 1-hour ozone NAAQS. On November 17, 1997 (62 FR 61237), EPA approved the redesignation request and maintenance plan. On September 26, 2006, VADEQ submitted a redesignation request and maintenance plan because the air quality data was showing attainment of the 1997 8-hour ozone NAAQS. On June 1, 2007 (72 FR 30485), EPA approved the redesignation request and maintenance plan. Even though the 1990 1-hour ozone NAAQS was revoked on June 15, 2005, EPA's subsequent implementation rules for the 1997 8-hour ozone NAAQS retained the Stage II-related requirements under CAA section 182(b)(3), but only as they applied to the Area for the Area's classification for the 1-hour ozone NAAQS designation for the 8-hour ozone NAAQS. *See* 40 CFR 51.900(f). Therefore, the maintenance plans for both NAAQS contain provisions for the implementation of Stage II.

II. Summary of SIP Revision

The analysis submitted by VADEQ addresses the effects of removing Stage II from the

Richmond Area. In accordance with section 110(l) of the CAA, the analysis demonstrates that the removal of Stage II from the Richmond Area will not interfere with the attainment or maintenance of the NAAQS. In this demonstration, VADEQ followed guidance provided by EPA in the following guidance document: *Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures*. The guidance document provided a method in which states could provide certain calculations showing that increased emissions from non-ORVR compatible Stage II would eventually negate benefits from the implementation of Stage II. Also, the guidance gave the states flexibility to provide additional or alternate analyses to EPA for consideration.

As recommended by the guidance, VADEQ calculated the area-wide VOC inventory emissions benefits from Stage II. These calculations demonstrate when the emissions increases from non-ORVR compatible Stage II would overtake emissions benefits from Stage II. The calculation results for the area-wide Stage II emissions reductions from year 2002 to 2020 are provided in Table 1. The results provided in Table 1 demonstrate that in 2016 there would no longer be a VOC emissions benefit from Stage II, or that the emissions benefit is negative. Virginia plans on removing the Stage II requirement on January 1, 2017. VADEQ also provided additional data and analyses demonstrating that Stage II has very little impact on VOC emissions in the Richmond Area and that modeling indicates that the formation of ozone in the Richmond Area is much more dependent on NO_x emissions than VOC emissions. A detailed summary of EPA's review and rationale for proposing to approve this SIP revision may be found in the Technical Support Document (TSD) prepared in support of this rulemaking action and is available on line at <http://www.regulations.gov>, Docket number EPA-R03-OAR-2014-0142.

Table 1. Stage II Emissions Reductions in the Area-Wide VOC Inventory

| Year | Emissions Reductions (tons per day VOC) |
|------|---|
| 2002 | 2.17 |
| 2005 | 1.51 |
| 2008 | 0.87 |
| 2009 | 0.71 |
| 2010 | 0.55 |
| 2011 | 0.4 |
| 2012 | 0.28 |
| 2013 | 0.16 |
| 2014 | 0.07 |
| 2015 | 0.00 |
| 2016 | -0.06 |
| 2017 | -0.10 |
| 2018 | -0.14 |
| 2020 | -0.19 |

III. Final Action

EPA is approving the revision submitted by the Commonwealth of Virginia to remove Stage II from the maintenance plans for the Richmond Area. EPA is approving this revision because it was demonstrated that the removal of the Stage II requirement on January 1, 2017 will not cause any emissions increases that could interfere with the attainment or maintenance of the NAAQS, or otherwise interfere with any applicable requirement of the CAA. EPA is publishing this rule without prior proposal because EPA views this as a noncontroversial amendment and anticipates no adverse comment. However, in the “Proposed Rules” section of today’s Federal Register, EPA is publishing a separate document that will serve as the proposal to approve the SIP revision if adverse comments are filed. This rule will be effective on [insert date 60 days from date of publication in the Federal Register] without further notice unless EPA receives adverse comment by [insert date 30 days from date of publication in the Federal Register]. If EPA receives adverse comment, EPA will publish a timely withdrawal in the Federal Register informing the public that the rule will not take effect. EPA will address all public comments in a subsequent

final rule based on the proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting must do so at this time.

IV. General Information Pertaining to SIP Submittals from the Commonwealth of Virginia

In 1995, Virginia adopted legislation that provides, subject to certain conditions, for an environmental assessment (audit) “privilege” for voluntary compliance evaluations performed by a regulated entity. The legislation further addresses the relative burden of proof for parties either asserting the privilege or seeking disclosure of documents for which the privilege is claimed.

Virginia’s legislation also provides, subject to certain conditions, for a penalty waiver for violations of environmental laws when a regulated entity discovers such violations pursuant to a voluntary compliance evaluation and voluntarily discloses such violations to the Commonwealth and takes prompt and appropriate measures to remedy the violations. Virginia’s Voluntary Environmental Assessment Privilege Law, Va. Code Sec. 10.1-1198, provides a privilege that protects from disclosure documents and information about the content of those documents that are the product of a voluntary environmental assessment. The Privilege Law does not extend to documents or information that: (1) Are generated or developed before the commencement of a voluntary environmental assessment; (2) are prepared independently of the assessment process; (3) demonstrate a clear, imminent and substantial danger to the public health or environment; or (4) are required by law.

On January 12, 1998, the Commonwealth of Virginia Office of the Attorney General provided a legal opinion that states that the Privilege Law, Va. Code § 10.1-1198, precludes granting a privilege to documents and information “required by law,” including documents and information

“required by Federal law to maintain program delegation, authorization or approval,” since Virginia must “enforce Federally authorized environmental programs in a manner that is no less stringent than their Federal counterparts. . . .” The opinion concludes that “[r]egarding § 10.1-1198, therefore, documents or other information needed for civil or criminal enforcement under one of these programs could not be privileged because such documents and information are essential to pursuing enforcement in a manner required by Federal law to maintain program delegation, authorization or approval.” Virginia’s Immunity law, Va. Code Sec. 10.1-1199, provides that “[t]o the extent consistent with requirements imposed by Federal law,” any person making a voluntary disclosure of information to a state agency regarding a violation of an environmental statute, regulation, permit, or administrative order is granted immunity from administrative or civil penalty. The Attorney General's January 12, 1998 opinion states that the quoted language renders this statute inapplicable to enforcement of any Federally authorized programs, since “no immunity could be afforded from administrative, civil, or criminal penalties because granting such immunity would not be consistent with Federal law, which is one of the criteria for immunity.”

Therefore, EPA has determined that Virginia’s Privilege and Immunity statutes will not preclude the Commonwealth from enforcing its program consistent with the Federal requirements. In any event, because EPA has also determined that a state audit privilege and immunity law can affect only state enforcement and cannot have any impact on Federal enforcement authorities, EPA may at any time invoke its authority under the CAA, including, for example, sections 113, 167, 205, 211, or 213, to enforce the requirements or prohibitions of the state plan, independently of any state enforcement effort. In addition, citizen enforcement under section 304 of the CAA is likewise unaffected by this, or any, state audit privilege or immunity law.

V. Statutory and Executive Order Reviews

A. General Requirements

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- is not a “significant regulatory action” subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);

- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

B. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 et seq., as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the Federal Register. A major rule cannot take effect until 60 days after it is

published in the Federal Register. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

C. Petitions for Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by [Insert date 60 days from date of publication of this document in the Federal Register]. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. Parties with objections to this direct final rule are encouraged to file a comment in response to the parallel notice of proposed rulemaking for this action published in the proposed rules section of today’s Federal Register, rather than file an immediate petition for judicial review of this direct final rule, so that EPA can withdraw this direct final rule and address the comment in the proposed rulemaking action.

This action approving the removal of Stage II from the Richmond Area maintenance plans may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen dioxide, Ozone, Volatile organic compounds.

Dated: July 11, 2014

William C. Early, Acting
Regional Administrator,
Region III.

40 CFR part 52 is amended as follows:

PART 52 – APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 et seq.

Subpart VV—Virginia

2. In § 52.2420, the table in paragraph (e) is amended by revising the entries for “Ozone Maintenance Plan, emissions inventory & contingency measures, Richmond Area”, and

“8-Hour Ozone Maintenance Plan and 2002 Base Year Emissions Inventory” to read as follows:

§ 52.2420 Identification of plan.

* * * * *

(e) *EPA-approved non-regulatory and quasi-regulatory material*

| Name of non-regulatory SIP revision | Applicable geographic area | State submittal date | EPA approval date | Additional explanation |
|--|----------------------------|----------------------|---|--|
| * * * * * | | | | |
| Ozone Maintenance Plan, emissions inventory & contingency measures | Richmond Area | 7/26/96 | 11/17/97, 62 FR 61237 | 52.2465(c)(119). |
| | | 11/12/13 | [Insert date of Federal Register publication] [Insert Federal Register citation] | Removal of Stage II vapor recovery program. See section 52.2428. |
| * * * * * | | | | |

| | | | | |
|--|-----------------------------|--|---------------------|------------------------------------|
| 8-Hour Ozone Maintenance Plan and 2002 Base Year Emissions Inventory | Richmond-Petersburg VA Area | 9/18/06 9/20/06 9/25/06 11/17/06 2/13/07 | 6/1/07, 72 FR 30485 | The SIP effective date is 6/18/07. |
|--|-----------------------------|--|---------------------|------------------------------------|

| | | | | |
|-----------|--|----------|---|--|
| | | 11/12/13 | [Insert date of Federal Register publication] [Insert Federal Register citation] | Removal of Stage II vapor recovery program. See section 52.2428. |
| * * * * * | | | | |

3. Section 52.2428 is amended by adding paragraph (i) to read as follows:

§ 52.2428 Control Strategy: Carbon monoxide and ozone.

* * * * *

(i) As of [**Insert date 60 days after publication in the Federal Register**], EPA approves the removal of the Stage II vapor recovery program from the maintenance plans for the Richmond 1990 1-Hour Ozone Maintenance Area and the Richmond- Petersburg 1997 8-Hour Ozone Maintenance Area.

[FR Doc. 2014-18620 Filed 08/08/2014 at 8:45 am; Publication Date: 08/11/2014]